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THESIS

THE CHANGING ROLE OF VIETNAM IN SOUTHEAST ASIA: BEYOND THE COLD WAR

bу

Tenise L. Pettigrew

JUNE 1991

Thesis Advisor:

Claude A. Buss

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THE CHANGING ROLE OF VIETNAM IN SOUTHEAST ASIA: BEYOND THE COLD WAR

by

Tenise L. Pettigrew Lieutenant, United States Navy B.S. Texas A&M University 1983

Submitted in Partial Fulfillment of the Requirements for the Degree of

MASTER OF ARTS IN NATIONAL SECURITY AFFAIRS

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ABSTRACT

This thesis examines the United States relationship with Vietnam in the aftermath of the Vietnam War and the end of the Cold War. Even though Vietnam's path toward progress and growth is hindered by internal and external security concerns, the direction is clear that she wants to be an integral player in the Southeast Asian region. Vietnam's dealings with the two regional major powers, the Soviet Union and the People's Republic of China, are addressed in respect to the historical pasts, the present interests and what the future holds for continued relationships. A Vietnam in which the U.S. has a significant level of involvement and influence as a result of direct relations will help ensure that the Southeast Asian region, with all of its strategic importance, will be more favorably balanced toward U.S. interests.

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I. INTRODUCTION

A. VIETNAM AND THE UNITED STATES: AT THE END OF THE HOSTILITIES

The United States' position in Southeast Asia after World War II was shaped primarily by its concern over the expansion of the Soviet Union and communist China. Communist China, the creation of a communist North Korea and the inroads of the communists into North Vietnam itself were each viewed as evidence of spreading communism that might eventually threaten all of Southeast Asia, Japan and possibly the United States itself. The U.S. took its stand in Vietnam where it fought for containing communism and in a positive way, promoting the democratic way of life.

In this light, the Vietnam War was much more than a conflict between North Vietnam and South Vietnam assisted by the United States. It was a war of geopolitics as well as a civil war in which the Vietnamese people suffered massive loss of life and property. Eleven years of war ended without the accomplishment of specific goals and could be described as an experience in endless frustration, wasted energies and "squandered opportunities".

Stanley Karnow, <u>Vietnam A History</u> (New York: The Viking Press, 1983), 629.

The United States official involvement in the Vietnam War ended on January 27, 1973. The last remaining American troops left in late March and on April 1, 1973 the last Prisoners of War (POWs) were released. It will take still more years to assess adequately the complete effects of the Vietnam War due to the political and emotional memories which still surround the whole conflict. In a broader sense there have been some recognizable influences in the evolution of United States' policy in the region . First, and probably most important, is the general effect the war had on the United States' policies of military involvement. For fear of another "Vietnam", the United States was overly cautious or gave the appearance of shying away from conflicts in which it might well have had a legitimate inter-An offshoot of this was the waning of credibility of the United States as an ally. It is to be noted that the greatest tendency to reduce the American profile in Southeast Asia occurred in the military domain.

The other main effect of the Vietnam War was in a regional context. For fear of a strong, militarized Vietnam backed by the Soviet Union, the non-communist powers in the region became evermore aware of a dangerous threat and responded accordingly. Increased military spending, improved diplomatic ties and a new focus on defense

industrialization all worked to shape Southeast Asia into a different mold. Not necessarily a direct result of the Vietnam War but clearly a response to regional changes was the improved Sino-American relationship. This new and improved association made an impact on other regional relationships; Soviet Union-Vietnam, China and the individual states of the Association of Southeast Asian Nations (ASEAN) and it necessitated new international approaches to the solution of the conflict in Cambodia.

B. SEEKING REGIONAL STABILITY WITH METHODS APPROPRIATE AT THE END OF THE COLD WAR

During the June 1990 superpower Summit in Washington, President Bush stated, "We've mored a long, long way from the depths of the Cold War." This movement began in the late 1980s as the world's attention focused on and has since been captivated by the political, diplomatic and economic changes in the socialist countries, namely the Soviet Union and Eastern Europe. The changes took the world by surprise in spite of the foreboding released by the events in Tiananman Square in the early spring. The shock waves of these events were slow in reaching the socialist countries of the Far East and did not seem to impact on the dynamic, dominating economics of the region. In spite of those reasons, the

Bilveer Singh, "ASEAN's Arms Industries: Potential and Limits," Comparative Strategy 8, No. 2 (1989): 255.

David Hoffman, "Soviet Says West Can't Unilaterally Reshape Europe," New York Times, 4 June 1990, Al.

end of the Cold War had its own profound effect in the Far Eastern arena. The People's Republic of China (PRC), Vietnam and North Korea continued to pursue their own political and economic reform programs in spite of the failures evidenced in Europe. But it was ever more difficult to retain their blinders, particularly because of the changed posture of the Soviet Union toward its Asian neighbors.

The United States involvement in regional stability in Southeast Asia will have to factor in these international changes, regional changes and the fact that in the entire world it is no longer business as usual. What new tactics will be required and will their foundations be based on established alliances and an awareness to a "new global order?" Will ideology play a less important role? Will the United States' forward presence continue to be the hallmark of any new policy? Poor economics and political isolation have damaged the image of the Soviets in Southeast Asia. What attention should we pay to the PRC as numerous strengths are coupled with her instability? deference needs to be payed to the individual countries in Southeast Asia and should they be recognized individually and as a group as possessing an ever increasing ability to

Office of the Assistant Secretary of Defense, International Affairs (East Asia and Pacific Region), A Strategic Framework for the Asian Pacific Rim: Looking Toward The 21st Century, Report To Congress ([Washington, D.C.]: U. S. Department of Defense, April 1990), 5.

speak for themselves and back up their needs and demands with political and economic strengths? With the ther major powers who wish to play a leading role in Southeast Asia, may we now have to take more seriously the Zone of Peace, Freedom and Neutrality (ZOPHAN) as part of their efforts to create more stability regionally and world wide?

In conjunction with the changes as noted above and in keeping with the evolving new world order and diminution of regional conflicts, what United States' presence is needed in the region? To what extent should domestic budget constraints and changing threat perceptions be allowed to prevent American objectives of contribution to regional stability? These questions must be examined especially in the light of the radical changes which took place in Eastern Europe in the later half of the 1980s. In addition to the dynamics of the Far East, the subsequent end of the Cold War emphasize the importance of stability which depends in such large measure upon the bilateral and multilateral economic, military and diplomatic means afforded by the United States.

C. OBJECTIVE: TO ENHANCE THE UNITED STATES' POSITION IN THE REGION OF SOUTHEAST ASIA

A study of United States' diplomatic efforts in Southeast Asia after 1975 might lead one to believe the U.S. has less interests in this region. But the facts remain. We fought a prolonged war in Indochina that lost in more ways than one. The effects on the people who fought there, their families and friends, those who sent them, those who protested and the unknown status of those who never returned has yet to be dealt with in a satisfactory manner even after more than 20 years. For these reasons the United States can not ignore Southeast Asia. It is the objective of this thesis to explore ways and means by which the United States can contribute more effectively to Southeast Asia as it has been evolving since the end of the Cold War.

There are particular reasons which make Southeast and especially Vietnam important to the United States should encourage a greater degree of attention to Asian The United States' tradition of leadership and policies. assistance is particularly strong in Asia. The United States is now more economically involved in Asia than it is in In conjunction with economic concerns we are also Europe. deeply involved in security in the Asian region. Vital Lanes of Communication (SLOCs), powers with hegemonic potential, unknown designs on the region by individual powers, and perceived threats being reflected in military purchases and alliances encourage the United States to continue to provide support and balance. As has been stated by the Assistant Secretary of State for East Asia and the Pacific,

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Pacific Security In The 1990s And Beyond: Comparing The European And Asian Security Environments, Prepared for the Assistant Secretary of Defense (International Security Affairs) Office of the Secretary of Defense ([Washington, D.C.]: Department of Defense, April 27, 1990), 4.

"We are the dynamic balancer, the buffer force, and the ultimate security guarantor in a region of great political, cultural, and historical diversity." How can the United States remain an active, contributing player in Southeast Asia, not for reasons of superpower ego satisfaction or our own economic ties in the region, but in response to the preference of those regional powers who want the U.S. to remain as the linch pin of stability and the best hope for progress and prosperity in Southeast Asia.

This thesis will focus on the changing role of Vietnam and the influence of the major powers on shaping the direction of Vietnam's policies. Of the three powers involved: the PRC, the Soviet Union and the United States, what roles can each play in assisting Vietnam toward a more positive and productive station in Southeast Asia? Does Vietnam have the potential and desire to become a peaceful, contributing neighbor? Is there a positive direction for future Sino-Vietnamese relations or will historical differences and ongoing territorial plague the relationship? Is Vietnam still a strategic necessity to the Soviet Union or have economic and diplomatic shifts in priorities moved the alliance into troubled waters? Are the United States' national and strategic interests in Southeast Asia strong

Richard H. Soloman, "Sustaining the Dynamic Balance in East Asia and the Pacific," Bureau of Public Affairs, U.S. Department of State, Current Policy No. 1255 (February 22, 1990): 5.

enough to rise above the painful aftermath of the Vietnam War? Can the United States be a leading force behind Vietnam's peaceful, profitable and mutually beneficial reintegration into Southeast Asia?

These questions will be addressed in this thesis through an analysis of historical and recent events. Based on this analysis, by way of conclusions, recommendations will be made for a more effective American policy toward Vietnam.

II. THE NATIONAL INTERESTS OF VIETNAM

Centuries of military conflict, internal division outside intervention have contributed to the economic ruin of Vietnam. This is not an overnight failure but one of years, years of conflict with neighbors, world powers internal division. Vietnam is today one of the poorest countries in the world but still maintains one of the largest armies. The socialist framework which has been intact since 1975 and the fall of South Vietnam has had the ground shaken beneath it with the 1989 events in the People's Republic of China (PRC), the Soviet Union and Eastern Europe. And much like the rest of the socialist countries where military and foreign policy security interests dominated, economic security interests have become important to national survival. The climate for a transition such as this has never been more favorable than The hardest part for Vietnam has not been recognizing change was in fact necessary but the uncertainties that surround change itself.

So while 1989 was a dynamic year for the international community, it was especially so for Vietnam. Socialist governments were falling everywhere, the Soviet Union was

Douglas Pike, "Change and Continuity in Vietnam," Current History 89, No. 545 (March 1990): 117.

retreating to mend internal problems and Vietnam's attempts at economic reform were being met with only limited success. Their one ray of hope was shattered when their September, 1989 withdrawal from Cambodia did not net the desired result. It was hoped by the more reform-minded Vietnamese leaders that the withdrawal would serve as a flag to the international community of Vietnam's desire to become a better neighbor. They had literally banked on the withdrawal resulting in lifted embargoes, increased trade and investment, and International Monetary Fund (IMF)/ World Bank cooperation. None of which occurred. The "start of a new 2 era" for Vietnam's economy did not materialize.

Early 1990 was spent criticizing the capitalist West, for the West was blamed for being the sole reason for socialist collapses. Labels such as sabotage, interference, spying, imperialist, anti-government support and reactionary filled the reports from Vietnam as they apparently ignored any internal causes which might have contributed to these collapses. It appeared much to be a defense mechanism and a form for warning Vietnamese and those involved with matters of Vietnam to remember that while economic reform was still on the national agenda, attempts to change the governing of Vietnam were forbidden.

[&]quot;Dollars, please," The Economist 312, No. 7622 (September 30, 1989): 30.

The middle and later part of 1990 found Vietnam facing a whole new diplomatic landscape. The changes made by the Bush administration concerning the Cambodian stalemate weighed in the Vietnamese favor. Though it was readily apparent that there were still critical issues separating the two countries, the positive nature of the policy changes may contribute to a smooth transition from one of the world's poorest countries to a stable, transitioning third world country.

A. ECONOMIC SECURITY

and has been propped up by the Soviet Union. It is years behind its neighbors in ASEAN and Asia. Attempts to reverse this situation began in the later 1980s with Nguyen Van Linh's reform plan. The emphasis was on agriculture and the monetary problems of the country. This reform plan was then followed in December 1987 by the adoption of a Foreign Investment law. This set of laws was renowned as one of the most liberal in Third World countries and communist countries by international economic organizations. The law allows for "joint ventures or wholly foriegn-owned enterprises, favourable tax terms, and repatriation of capital and profits." It has allowed a tremendous amount of

³ Pike, "Change and Continuity," 119.

Victor Funnell, ""We Cannot Live on Theories": A Changing Vietnam, " Asian Affairs XX, Part III (October 1989): 283.

interaction between foreign investors eager to be the first into Vietnam and an economy much in need of hard currency and economic skills. Continuing efforts to make investment in Vietnam more popular have modified the laws even more by allowing private citizens to engage in business with foreigners.

foreign investment laws, cheap labor and lack The competition are drawing countries from all over to trade and in Vietnam. England, Taiwan, Australia, France and most of the nations in ASEAN have been eager to take advantage of the benefits while still being wary of the abundant problems in the Vietnamese economic Perhaps the biggest economic problem facing Vietnam is the lack of knowledge by the leaders of proper methods, avenues and techniques to move the backward economy toward an economy which will function profitably while still remaining within their tight socialist guidelines. The days of dealing with problems by "brute force" and viewing the world as non-interdependent are virtually over for Vietnam's leaders. The manner in which they deal with the current economic problems will certainly affect their place in the developing

Jonathan Moore, "The old pais' act," Far Eastern Economic Review (Hereafter FEER) (30 August 1990): 46-47; "Another quagmire," The Economist (April 7, 1990): 81-82; and "Vietnam-Economic Recovery," Asian Recorder XXXVI, No. 6 (February 5-11, 1990): 20997.

Pike, "Change and Continuity,", 118.

regional and world order for economics is becoming a critical governing issue on the international agenda.

1. Current Problems Affecting the Economy

The Cambodian conflict was an effort that neither the Vietnamese nor their economic and military aid donor, Soviet Union, could afford. Much of the economic problems of Vietnam stem from the burden of an extended and external conflict, easily managed by leaders who were accustomed to planning a wartime economy and still receiving aid to finance their efforts. Changes in the Cambodian conflict have been made. Vietnam is no longer involved militarily Cambodia but is now heavily engaged diplomatically. Soviet Union's aid to both Vietnam and the Hun Sen regime in Cambodia has been drastically reduced in order to support Soviet diplomatic pursuits in the region . The military disengagement from Cambodia would appear to be a positive factor on the economy, freeing up capital to be dedicated to other programs, similar to the United States' 'peace divi-The transition has been cumbersome and results are not as yet readily apparent.

Some of the major internal factors greatly affecting the economic performance of Vietnam can be summed into one category: lack of adequate infrastructure to handle

Murray Hiebert, "Hammer blow for Hanoi," FEER (5 July 1990): 44-45.

efficient and effective economic reform programs. The 'system' in Vietnam which is supposed to ensure a smooth running socialist economy is beset with apparently unremovable kinks. Failure of business endeavors to produce effectively and now profitably has been attributed to a weak banking system, lack of management and management skills, shortages of foreign currency and demand by countries trading in Vietnam for hard currency, comparatively poor quality products not able to compete with imports, and an inadequate transportation system. The currency problem in Vietnam is dangerous. Even though inflation, once at an all time high of 700%, has been gradually reduced as a result of the devaluation of the Dong and the reduction of government subsidies, there is still enough inflation to encourage smuggling and black markets.

The lack of economic, technical and bureaucratic infrastructure capable of dealing with exploiting the country's resources has come to light very recently with the crisis in the Middle East oil countries of Iraq and Kuwait. Vietnam has very large quantities of coal resources and is willing to allow joint ventures to mine the coal and other resources.

Murray Hiebert, "Crisis in the Making," FEER (5 July 1990): 45.

However, it lacks the structure to remove, transport, ship or regulate the conceivaby profitable energy resource.

Unemployment and related problems still continue plague the economy. As a result of the Cambodian withdrawal, thousands of Vietnamese soldiers were demobilized with only a small percentage finding employment in the civilian The unemployment problem has been compounded by sector those laid off as a result of the "renovations" being attempted within the economy and the growing number of returning and returned overseas Vietnamese. The estimated value of remittances sent by overseas workers is about million a year to Vietnam". As the socialist countries in Eastern Europe and the Soviet Union close their doors to foreign workers to make room for domestic workers, massive return of laborers means more unemployment as well a considerable loss of revenues for the government. addition to being an economic nightmare, it has caused political and diplomatic problems. It is feared by Vietnamese leaders that the workers may be returning with "revolution in their luggage" and the negative atmosphere

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⁹ Murray Hiebert, "Shaft of light," <u>FEER</u> (11 October 1990): 71.

Murray Hiebert, "Not fading away," FEER (19 October 1989): 21.

[&]quot;Redundant workers, going cheap," The Economist 315, No. 7653 (May 5, 1990): 42.

¹² Ibid.

surrounding the overseas Vietnamese and the valuable jobs they have been taking away from locals in these foreign 13 countries may have an unpleasant diplomatic backlash.

Along with the workers being sent home from the Soviet Union has been the reduction in Soviet aid. With the serious decline in aid, trade and subsidies, the Vietnamese leadership is faced with fighting another contributing factor to the struggling economy. Evidence of harder times as a result of the aid reduction is being seen in price increases, decreases in supplies, and rationing of critical 14 commodities. Where once Vietnam received at reduced prices and at favorable terms such commodities as oil, steel, fertilizer and cotton, they are now having to use hard currency and at world market prices.

2. Attempts To Improve the Economy

The list of economic problems facing Vietnam's leadership is extensive and has clearly not been provided in its entirety in the previous section. However, a few steps have been made by Vietnam to provide hope that it may in fact overcome the more pronounced problems and join in on the economic progress of East Asia. Acknowledgment of some of the problems by the Vietnamese leadership is by far the most

¹³Murray Hiebert, "Comrades go home," FEER (17 May 1990): 20-21.

[&]quot;Ho Chi Minh City Gas Rationed; Prices 'Soar'," FBIS-EAS-90-181 (1 September 1990): 73.

important step taken. The foreign investment laws and increased dealing with capitalist countries and markets, and private individuals have brought about a new awareness of international economic interdependence, some of which Vietnamese officials appear to be willing to accept in moderation. A renewed interest in the economic and business skills of the southern part of the country, once condemned and partially destroyed for its capitalist ways, is more proof of the changing socialist economic agenda.

One of the major highlights of Vietnam's economic reform efforts has been the reemergence of the country as one of the top rice exporters in the world, this only a year after some northern parts of the country nearly starved to death. There are still many weaknesses to surmount. The challenges of breaking into the rice market, finding clientele, weeding out the non-serious companies, improving the low quality, dealing with bureaucratic mingling, and reduction in Soviet fertilizer will be difficult to overcome. However, the momentum which made Vietnam the third largest exporter seems to have lingered into 1990, making this export a possible avenue upward.

Businessmen, foreign government diplomats and tourists are being cordially courted to visit Vietnam. The year

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Funnell, "Cannot Live on Theories," 280.

¹⁶

Murray Hiebert, "The tilling fields," <u>FEER</u> (10 May 1990): 32-33.

1990 was even designated "Visit Vietnam Year". However, once they arrive, the tourists find themselves greeted with inadequate supply of hotel rooms, exorbitant prices and facility conditions which might only encourage one to seek travel or business elsewhere. The hotel ventures have not only proven to be insufficient for patrons but even more of a problem for those who finance, invest and manage these enterprises. Stifling bureaucracy, corruption and government to government mistrust have brought to failure many the attempts at profitable tourism. If one accepts that outsider's opinion of a country's inner workings may tainted through his unpleasant accommodations, then the tourism business will need a high priority to alleviate this problem. Two of the more successful attempts in the hotel business have been the Saigon Floating hotel and the old French Metropole in Hanoi, renamed Thong Nhat Hotel, both joint ventures.

Another avenue which warrants significant attention is the profitable exploits of the oil deposits of the Vietnamese coast and in the highly controversial areas surrounding the Spratly and Paracel islands. The Soviet Union is presently finding mild success in this joint arena. With oil being a dynamic and critical international subject,

[&]quot;Joint Soviet-SRV Firm Discovers Oil Deposit," FBIS-EAS-90-181 (18 September 1990): 73.

Vietnam may find bilateral discussions on this subject opening doors that were once locked tight.

Finally, a very important component of Vietnam's economic recovery which is directly linked to its programs, initiatives and progress but not totally in its hands, is to be found in the review by the IMF. This review of "Vietnam's economic-adjustment programme" is critical to her loan and investment future. With continued pressure from the United States to deny Vietnam access to IMF and World Bank lending, many countries who desire a relationship with Vietnam have been restrained. This includes numerous agencies within the United States itself. Even though the crucial blockade is still lead by the United States, domestic structural improvements will be important for eventual integration and future stability.

B. POLITICAL SECURITY

The political control of Vietnam is still in the hands of the communist party. The ability of the party to govern and lead the country has probably never been more difficult. The events of 1989 in the socialist world, internal party personnel changes, and changes in regional issues and alliances have taxed the ability of the party, a party which

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Susuma Awanohara, "Playing for time," <u>FEER</u> (20 September 1990): 94.

is already under considerable pressure to keep control of an impoverished country.

The Sixth National Party Congress in December 1986 was the beginning of the leadership transformation from revolutionaries and conservatives to reformers, or as Douglas Pike puts it, "from non-risk takers to risk takers". It was agreed that economic and state/party relationship reforms must occur but the speed and ability to govern the reforms were not so apparently clear. Another issue which created division in the party is the priorities placed on national security and respectable independence, and economic interests. The different groupings within the party each have their individual agendas and security concerns, number one being their own secure position.

Ronald Cima summarizes the situation quite well. "To the ideological conservatives, relinquishing the party's tight hold on the economy to the vagaries of the marketplace is perceived as an invitation to chaos and anarchy; to the bureaucrats, reform means changing the status quo and threatening the established and often corrupt power hierarchy; and to the military, it represents a threat to national security because it diminishes the importance of military strength in favor of economic development."

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Ronald J. Cima, "Vietnam's Economic Reform," Asian Survey XXIX, No. 8 (August 1989): 789.

If one accepts the notion that Vietnam's greatest problem is the poor status of its economy, one should also accept the notion that the political future of the country is most disquieting because of its unpredictability. Their socialist brethren in Eastern Europe have fallen, the Soviet Union has admitted to the failures of socialist economic planning and the PRC has been besieged by international condemnation for the Tiananmen massacre as they "dealt" with the growing pains of reform. While socialist regimes all about them were troubled, Vietnam's leaders continuously emphasized to both internal and external audiences, that these radical political changes were not to occur in Vietnam. The economic reform plan was the farthest extent to which any reforms would be taken.

Central to this issue of political reform has been the issue of multi-party government. Internal political opposition is fervently opposed. The ruling "gerontocracy" of the Vietnamese Communist Party made it quite clear during the events of late 1989 and early 1990, that there would be no opposition to its rule. This was based on its assumption that political opposition would result in instability, 21 further hampering the economic reform programs underway.

These views have not stopped the creation of opposition

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Pike, "Change and Continuity," 117.

[&]quot;Vietnam hobbles itself for its journey into the future," The Economist 315, No. 7649 (April 7, 1990): 41.

groups, the most famous being the Club of Former Resistance Fighters. It is a group which is made up of mostly southern, very popular war leaders who claim to support the Vietnamese Communist Party but have difficulty with some methods, 22 practices and performances of the leadership.

As the line between economic and political reform grows thinner, the challenge to the party will become ever greater. The economic successes/failures and performance in dealing with a changed international environment may establish a secure position for the party and its leaders or may drive them toward a position with their backs to the wall. It is not clear what either of these positions would motivate the party leaders to do. Instability is by far the most undesirable avenue for the country, the region or the world community.

C. DOMESTIC SECURITY

Vietnam is not unlike most countries that place their own national security above all else. Ho Chi Minh was best able to express this and his writings, speeches and lectures are zealously used today by those trying to justify change or continuity for Vietnam's national security policies. They still appear to be on a determined course toward socialism. Similar to the economic and political security

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Murray Hiebert, "Against the tide," FEER (14 September 1989): 30; Nayan Chanda, "Force for change," FEER (5 October 1989): 24,26.

interests, internal security interests will affect the winding of this course. A very important factor when considering these domestic security interests is that even though they may be getting more publicized attention they immediately will take a back seat if the safety of Vietnam 23 is threatened.

Still high on the list of concerns are the events taking place concerning Cambodia. Cambodia appears to have changed from a military threat to a political threat, in that if a peaceful coalition government fails to appear, Vietnam will continue to bear a major proportion of international condemnation for the failure. A positive turn in the Cambodian issue was reached in Jakarta on 10 September 1990. The four factions agreed to a U.N. formulated plan to set up a member Supreme National Council (SNC). Reporting on Jakarta meetings of early September, the Vietnamese national daily, NHAN DAN, comments favorably on the conclusion. report emphasized the important part played by the government of Hun Sen and the continued positive efforts by Vietnam to contribute to a peaceful settlement and stability in Southeast Asia. A settlement in favor of the Vietnamese, i.e. strong Hun Sen government representation, should allow attention to be diverted from that interest to more urgent

Pike, "Change and Continuity," 119.

[&]quot;NHAN DAN on Accord," FBIS-EAS-90-177 (12 September 1990): 50.

domestic interests. A settlement not favorable to Vietnam may unfortunately do the opposite.

Another domestic concern is the consequences surrounding the large demobilization effort underway in Vietnam. While a strong, large armed force may have attributed to a secure feeling inside Vietnam, it did nothing for the security concerns of its neighbors in Southeast Asia. A reduction in forces may produce favorable results in foreign relations while not necessarily jeopardizing internal security as military tensions are reduced significantly in the region. However, the rapid, sizable demobilization of the Vietnamese Armed Forces, though regionally popular and economically necessitated, are causing problems which are not easily addressed by a government already taxed by a poor economy,

A severe domestic problem which is adversely affecting the economic, domestic and diplomatic interests is the lack of an adequate legal system. Problems which have been identified with the legal reforms now being attempted by Vietnam include "resistance from Government officials", "shortage of trained lawyers and judges", a lack of "legal tradition" and "difficulties in establishing a judiciary

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Gwen Robinson, "Easing tensions and changing partners," Pacific Defence Reporter XVI, No. 6/7 (December 1989/January 1990): 31.

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independent of political pressures." None of these being quickly or easily solvable, they will have to be addressed prior to success in any prolonged social or economic programs dependent upon an effective legal system. This attempt to establish a legal system which will protect not only the Vietnamese people but foreigners, specifically investors, has been met with much resistance and ignorance.

Mixing the domestic security concerns of Vietnam with those concerns on a regional plane, especially those expressed by the progressive and successful economic countries, is becoming increasing popular. Nguyen Co Thach has repeatedly expressed his views on this, that it is a natural and feasible direction for Vietnam. The concept that Vietnam has been all along and will continue to be independent is also apparent, continuing to glorify Ho Chi Minh's legacy. "Regionalism is becoming more popular, which means that the push for cooperation, economic integration included, by countries having favourable geographic conditions can overcome the barriers of military-political alliances."

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Murray Hiebert, "Trial and error," <u>FEER</u> (5 July 1990): 16-17.

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Nguyen Co Thach, "A View From Hanoi," <u>International</u> <u>Affairs (Moscow)</u> (September 1989): 74.

D. VIETNAM'S FOREIGN POLICY CONCERNS

A resolution of the Congress says that the goal of the foreign policy of our party and the state is to ensure favorable international conditions and use the moment for the utmost concentration of efforts for the solution of the tasks involved in the gradual stabilization of the situation and the establishment of a basis for economic development in the next 10 to 15 years, the construction of socialism and the defence of national independence, an active contribution to the general struggle of nations for peace, national independence, democracy and socialism. These are the strategic goals and supreme interests of the party and the entire Vietnamese people.

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These statements capture the complex Vietnamese foreign policy of wanting to be part of the international community as long as it is clearly understood that Vietnam's independence is of the utmost concern. While Vietnamese officials are willing to go so far as to admit that a more stable, peaceful international environment is needed to help their economy they are not willing to go as far as Gorbachev They recognize there have been major changes in socialist countries and between major alliances, requiring a change in their foreign policy. In light of changes within the Soviet Union and subsequent pressures from that country in conjunction with internal pressures, Vietnam made a major diplomatic and political move by withdrawing its troops from Unfortunately, this diplomatic gesture did not Cambodia. bring out the desired results immediately but has since

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Ibid., 74-75.

worked in Vietnam's favor by allowing them to use it as an example of its peaceful intentions within the region.

Vietnam/PRC Diplomatic Relations

Sino-Vietnamese diplomatic relations have been most recently guided by the events designed to settle the Cambodian conflict. The PRC's support of the Khmer Rouge Vietnam's armed forces in Cambodia and support of the Sen government have long kept the two countries at a stand-With the Cambodian issue in the hands of the U.N., off. improved relations between the two countries have been small but significant. The speculations and since confirmed reports of a high level visit in early September 1990, by Vietnamese government officials to Peking are a sign of a warming. The visit was supposed to have been made by Nguyen Van Linh, Premier Do Muoi and Pham Van Dong to discuss Cambodian issues and normalized relations between Vietnam and the PRC. Even the invitation and attendance by Vo Nguyen Giap and the Vietnamese sport team at the Asian Games is of a significant nature.

[&]quot;Nguyen Van Linh, Jiang Zemin Meet in Guangxi," FBIS-EAS-90-181 (18 September 1990): 67-68.

2. Vietnam/USSR Diplomatic Relations

The alliance with the Soviet Union provided Vietnam with a strong deterrent to Chinese aggression and a political excuse to ignore the nations in Southeast Asia which had long criticized Vietnam's foreign policies and had attempted to influence Vietnam's actions.

The historical Vietnamese view of its alliance with the Soviet Union is laced with its concern for betrayal but more so recently. Through different forms of media, they continue to pay homage to the Soviet Union for its primary place in the Socialist world. However, the tensions which have always been present between the two countries because of their differences, have been raised to a higher level due to the internal changes within the Soviet Union, the decrease in aid and support for Vietnam and the perceived betrayals. Vietnam is very attuned to the differences opinion between the Soviet Union and itself in matters 31 concerning regional affairs. Betrayal rings clear when Vietnam views the strong encouragement received from the Soviets to better its relations with the PRC, its historical foe and again after Gorbachev made his speech at Krasnoyarsk in September 1988. The hot response from Hanoi was that Cam

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Co Thach, "A View From Hanoi," 76.

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William J. Duiker, "Vietnam: The Chall age of Reform," Current History 88 (April 1989): 196.

Ranh Bay was not a Soviet pawn to be used in the super power 32 chess game in Southeast Asia.

3. Vietnam/U.S. Diplomatic Relations

Up until 18 July 1990, there had been little to no diplomatic relations between Vietnam and the United States with the exception of efforts on POW/MIA issues. Prior to the United States' change on direct discussions with Vietnam and Hun Sen on Cambodia, the embargo led by the United States had clearly defined the U.S. position with regards to Vietnam. There was to be no recognition. For Vietnam, improved relations with the United States can only shorten the distance between their current situation and improved economy. The United States is the vital block to the economic embargo marginally in place over Vietnam, to renewed ties with IMF and the World Bank, and American investment greatly needed and apparently ready to go. During Foreign Minister Nguyen Co Thach's visit to Washington, D.C. in October 1990, he discussed with John Vessey, Jr. future efforts on coordinated POW/MIA issues. The Foreign Minister tock the prime opportunity of reiterating the theme of resuming "diplomatic relations with the United States and an

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Murray Hiebert, "Carping about Cam Ranh," <u>Far Eastern</u> <u>Economic Review</u> (21 October 1988): 27.

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end to a 15 year old trade embargo". For Vietnam, relations with the United States will be more economically profitable than political.

4. Direction of Vietnam's Foreign Policy

Crisis rests on the fringes in Vietnam. Nothing is secure in their world, change in the international environment is pressuring reciprocal change within the country which is reluctant, unsure and unable to deal with it effectively. Vietnam does seek a brighter, more successful future for itself. However, as long as it is plagued by its economic insufficiencies, political obstinance and national security concerns it will continue to "hobble itself for its 34 journey into the future."

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Clifford Krauss, "Vietnam To Renew Effort On Missing,"
New York Times (October 18, 1990): A4.

[&]quot;Vietnam hobbles," The Economist, 41.

III HISTORICAL ENEMIES - PRC AND VIETNAM

Sino-Vietnamese history has primarily consisted of geographical and political disputes intermittently strewn with very brief periods of 'friendship and cooperation'. The new era of relations between the PRC and Vietnam should not be placed on the same scale as the new and friendlier relations being experienced in the international arena. The historical differences of these two countries will likely make the path toward peaceful coexistence very rocky. This chapter will deal with relations between the PRC and Vietnam during the Vietnam War and the Sino-Vietnamese War, the Soviet-Vietnamese alliance, the PRC in Southeast Asia, and prospects for the future relationship between Vietnam and the PRC.

A. CONFLICTS IN INDOCHINA

During most of the 1950s, China and the Soviet Union equally supported socialist revolutions and communist parties, North Vietnam being a significant recipient. Chinese military assistance and aid to communist Vietnam began as early as 1954 during North Vietnam's war with the French. It remained limited to military equipment such as trucks and arms, of which both were in large supply in China. From 1954 to 1956, North Vietnam was dependent upon China for advice and assistance due in part to the communist success

in China and the strong pro-Chinese leaders in the North Vietnamese government. However, history demanded they remain cautious of the Chinese because for "centuries (Chinese) had conquered, occupied or dominated them." Beginning in the late 1950s, North Vietnam began to look more to the Soviet Union. A rift had begun between the Soviet Union and the PRC over leadership of world communism. North Vietnam wavered between the two, playing each for increased aid and support. Even as late as 1963, North Vietnam followed the Chinese path of refusing to sign the Nuclear Defense Treaty thus paving the way for increased Chinese aid, especially Chinese arms.

1. Vietnam War (1964-1973)

From its beginning, North Vietnam attempted to limit its diplomatic, military and economic ties to the Soviet Union, China and other communist countries. Unbalanced alliances conflicted with the independent nature of Ho Chi Minh and the desire to remain unhampered. At the same time, Vietnam had several things in common with these countries. A predominant goal for Vietnam was ridding the country and the region of the United States and its 'imperialistic' influence. And, Vietnam needed outside help.

Edgar O'Ballance, <u>The Wars in Vietnam 1954-1980</u> (New York: Hippocrene Books, Inc., 1981), 15.

Ibid., 62-6

Chinese aid to North Vietnam during Vietnam's war with the United States was given to help the "socialist revolution" but also to "counter Soviet influence". Chinese aid was an instrument in the growing Sino-Soviet rift. In 1964, Deng Xiaoping even went so far as to offer the Vietnamese one billion dollars a year if they would refuse all Soviet aid and only accept Chinese assistance.

The division between China and North Vietnam began as the Sino-Soviet estrangement strengthened. The Soviet Union took advantage of Chinese domestic problems by increasing the quantity and quality of its military supplies and weaponry, far surpassing anything the Chinese could supply. Then in 1966, the distance from China was stretched even further due to the questions being disputed over whether Chinese transportation of Soviet military equipment was being properly handled. By the end of the war in 1973, the unification of the country in 1975, and the strengthening position of the Chinese backed Khmer Rouge in Cambodia, the Vietnamese looked solely to the Soviet Union.

Nguyen Manh Hung, "The Sino-Vietnamese Conflict: Power Play Among Communist Neighbors," <u>Asian Survey XIX</u> (October 1979): 1038; and J. Andre Sauvageot, "Vietnam, Defence Expenditure and Threat Perception: Defending Communist Indochina," in <u>Defence Spending In Southeast Asia</u>, ed. Chin Kin Wah (Singapore: Institute of Southeast Asian Studies, 1987), 290.

2. War with Vietnam (17 February 1979 - 5 March 1979)

Early on the morning of 17 February 197° the Chinese People's Liberation Army (PLA) moved across the Sino-Vietnamese border to "teach Vietnam a lesson." The objectives or military goals were not readily apparent, but it was clear that the PLA meant to carry out this "counter attack in self-defence" successfully. The slow, poorly-equipped, unseasoned PLA was hardly a match for the military forces of Vietnam that had seen continuous action for over twenty years. A true test of sustainability was not to be had because once it was decided by Beijing that it had achieved its objective Chinese forces simply left Vietnam. After the taking of Lang Son by the PLA, it was officially declared as the goal and on 5 March 1979, the PLA was ordered to with-4 draw. The war was over on 15 March when the last PLA forces left Vietnam.

More important than the actual conflict and whether goals were met, is the stimulus behind the invasion. These reasons might possibly give some insight as to whether future conflicts might occur if underlying causes are still apparent. China's war with Vietnam began as early as 1975. Territorial disputes in the Paracel and Spratly Islands, the Gulf of Tonkin, and along their common land border took the Sino-Vietnamese relationship on a new tack. During 1977 and

[&]quot;Authorized Statement by Xinhua News Agency," <u>Beijing</u> Review 10 (March 9, 1979): 12.

1978, other major issues surfaced to make a conflict imminent.

One of the major issues dealt with the ethnic Chinese population living in Vietnam which was estimated at around 1.5 million. Composed mostly of wealthy merchants and businessmen (many of whom were loyal to Taiwan), they adversely affected by Hanoi's voidance of private enterprise and trading in March 1978. This large Hoa population, who lived primarily in the South, and many of whom refused to give up their Chinese citizenship, were caught in a volatile situation. A mass exodus to Hong Kong, China or any friendly country in Southeast Asia was made by thousands of Chinese. Mainland China accepted all ethnic Chinese refugees, whether loyal to Beijing or Taiwan. Some were successful but many never made it out of the country or to another, probably being lost at sea. By May, all Chinese aid and government technicians were withdrawn.

In November 1978, the Soviet-Vietnamese Friendship Treaty was signed. Later that year, the Vietnamese invaded Cambodia in a retaliatory effort against the Khmer Rouge. In February 1979, the PRC invaded Vietnam. Vietnam's treatment of its Chinese population, the Soviet-Vietnamese

Harvey DeMaine, "Economy," The Far East and Australia 1990 (London: Europa Publications Limited, 1989), 1036.

[&]quot;Soviet Friendship Treaties With Third World Countries," Department of Defense Intelligence and Defense Intelligence Agency (April 1980): 24.

alliance, and the invasion of Cambodia were major factors. It was anticipated by the Chinese that their northern invasion might also relieve some of the pressure off their Cambodian allies by drawing Vietnamese forces away. The invasion was also perceived to be a logistical and tactical test, there was a "desire to test the PLA, which had conducted extensive combat operation since 1962." Underlying the whole conflict, was a need for China's leaders to reassert their claim to regional leadership. Their historical place in the world had been threatened by a strong showing of Vietnamese abilities and power in the past years and this was met as a challenge. The result was a military conflict with historical precedence.

The debates still rage as to whether Chinese goals were met, of who won and who lost, and of the number of casualties on each side. This is due in part to the heated political side of the war caused by the Sino-Vietnamese-Soviet triangle. Many of the reasons for the war are still evident, though to a lesser extent. Prospects for the future will have to take these into consideration.

Harlan W. Jencks, "China's "Punitive" War on Vietnam: A Military Assessment," Asian Survey XIX (August 1979): 803.

King C. Chen, China's War Against Vietnam, 1979: A Military Analysis, Occasional Papers/Reprints Series in Contemporary Asian Studies, no. 5 (Baltimore: Maryland International Law Society, 1983), 8-9.

B. ACTIONS AS A RESULT OF SOVIET VIETNAMESE ALLIANCE

In the late 1970s, China viewed the Soviet interest in the Far East to be hegemonic. It was not so much an ideological struggle between the two as a power struggle. Each was vying for power in the region. To combat the perception that the Soviet Union was threatening China's security by a power struggle and encirclement, the PRC sought influence through alliances, especially with the United States.

1. Soviet-Vietnamese Friendship Treaty

The Soviet-Vietnamese alliance signed into being in November 1978 added fuel to an already growing fire. There was concern over the growing strength of Vietnam. Vietnam's armed forces were strengthened through the military aid and advanced military equipment it received from the Soviet 11 Union. Another of China's concerns about the alliance was the Soviet military basing in Vietnam. The bases were viewed as being detrimental to future Sino-Soviet relations, as a strategic basis from which a Soviet assault could be launched on the PRC and as a menace to Chinese naval

Gerald Segal, "Taking Sino-Soviet Detente Seriously,"

The Washington Quarterly 12, no. 3 (Summer 1989): 55.

Chi Su, "China and the Soviet Union," <u>Current History</u> 83, no. 494 (September 1984): 245.

Charles McGregor, <u>The Sino-Vietnamese Relationship and the Soviet Union</u>, Adelph: Papers 232 (London: The International Institute for Strategic Studies, Autumn 1988), 31-33.

power. After the treaty, the Chinese recognized that Soviet leadership placed priority on its alliance with Vietnam because of its strategic value, giving secondary ranking to its giant Asian neighbor.

The Chinese retaliated by placing the 'three obstacles' (Afghanistan, Cambodia and Soviet troops along the Soviet border) in the way of future Sino-Soviet relations. These requirements placed detente at a safe distance and in the Soviet's court. It gave the Chinese time to study what Soviet true intentions might be in their region of the world. Though overtures were made to place Sino-Soviet relations on friendlier terms, the Chinese remained skeptical in light of Soviet activities in Afghanistan and South-13 east Asia.

2. Gorbachev and Sino-Soviet Detente

Mikhail Gorbachev's succession to Soviet leadership in March 1985 turned the Sino-Soviet relationship 180 degrees. This was immediately met with some concern by the Vietnamese leadership. "...From Peking's point of view, the

¹² Thid 65.

Ibid., 65-66.

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Steven M. Goldstein, "Diplomacy Amid Protest: The Sino-Soviet Summit," <u>Problems of Communism XXXVIII</u> (September-October 1989): 50.

Soviet military encirclement of China continues" or did until Gorbachev made such radical initiatives to reduce tensions between the two socialist countries. Chinese acceptance of Gorbachev's initiatives was slow in the beginning but by early 1989 Beijing was inclined to accept the initiatives and had adjusted its foreign policy accordingly. Crucial to this transformation was the Soviet Union's ability to generate tangible results from diplomatic proposals.

"For Gorbachev, the road to Asia very clearly lay 15 through Beijing." As a result, great efforts were made to have a successful Sino-Soviet summit in May 1989. The summit was seen from the beginning to be a Chinese success, it appeared they had made the Soviet Union come to them on 16 their terms. For the communist leadership of China, the summit was evidence to both domestic and international audiences of their effective leadership and progressive reform programs. But as the summit ended, Gorbachev's stealing of the show did nothing for the Chinese leaders but make matters in Tiananmen Square even worse.

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Donald S. Zagoria, The Soviet-Vietnamese Alliance In Strategic Perspective, Paper presented as part of the "Symposium on Indochina Relationships" at the Foreign Service Institute, The Center for the Study of Foreign Affairs, U.S. Department of State Washington D.C. (10-11 March 1987): 13.

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Goldstein, "Diplomacy Amid Protest," 52.

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Coit D. Blacker, "The USSR and Asia in 1989 Recasting Relationships, " Asian Survey XXX (January 1990): 6.

While Sino-Soviet detente may be Gorbachev's greatest diplo17
matic achievement, Chinese national interests have turned politically inward.

C. THE PRC AND SOUTHEAST ASIA

The PRC has been attempting and continues to strive for modernization. The individual countries of Southeast Asia and the region as a whole, play a very important part in this Chinese goal. In Southeast Asia, the economic, political, domestic and military ties between the countries make the region prone to great fluctuations between economic growth, diplomatic dissarray and military strength. The PRC needs stability and assistance which are disproportionately available from Southeast Asia.

Southeast Asia is also considered by the PRC to be a great security concern. Threats from the region have been centered around a Soviet supported Vietnam. As a result, the PRC supported the Khmer Rouge in its struggle against Vietnamese forces. This was also in keeping with China's costly program of supporting Third World countries. Where once the PRC was drawn to Third World countries to improve its power position within the socialist and international structures, the imperatives of economics is lessening this drive.

Gerald Segal, "China After Tiananmen," Asian Affairs XXI, Part II (June 1900): 144.

In this scenario, the countries of ASEAN have become increasingly important. Chinese relations with these countries had been traditionally poor due to Chinese involvement in domestic and political affairs in the 1960s, especially in Indonesia, Malaysia and Singapore. In the 1980s, China's relations with ASEAN improved somewhat because the PRC's stand on Vietnam's occupation of Cambodia coincided with that of ASEAN'. Today, China's interest in ASEAN primarily from economic needs. Better relations should result in needed markets, investment, and technology trade. Needed political and diplomatic contact may also be met since China has suffered from international condemnation after June 1989 and still needs friends against Vietnam for its position on a future Cambodia. In addition, the question over the Spratlys may be answered either militarily or diplomatically depending on the relationship held by China and ASEAN.

Cambodia has for the most part been the only issue focussing the attention of the PRC on ASEAN in recent years. Though ASEAN and the PRC held similar conditions for settlement of the issue and future governance of the country, many of the countries were not convinced of China's motives or future intentions. Having Vietnam withdraw from Cambodia was a mutual concern, but a return to power by a Chinese-supported Khmer Rouge was not a desired alternative. Therefore, China's influence on the Khmer Rouge to accept U.N.

decisions contributed to a more positive ASEAN outlook on Chinese intentions as well as improving relations with other 18 regional players, namely Vietnam and the Soviet Union.

Another important issue between China and individual countries in Southeast Asia has centered primarily around ethnic Chinese living in these countries. In the past these Chinese populations have been the cause of domestic political problems and are still of concern today. As mentioned before, this issue has kept Sino-Indonesian and Sino-Singaporean relations at a very cool distance until very recently. The PRC and Indonesia after signing a Memorandum of Understanding in August 1990 have restored diplomatic relations. Talks between China and Singapore have also led to diplomatic normalization.

The final issue concerns China's future great power status in the region. One of the key questions as a result of the warming Sino-Soviet relationship is what would be the world reaction to a renewed PRC interest in the domination of regional and border states if fear of a Soviet challenge 19 is reduced. This issue reaches to the island disputes in the South China Seas. China now seeks to ally itself with ASEAN by making diplomatic gestures toward solving, by

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Robert Delfs. "The Gulf card," <u>FEER</u> (20 September 1990): 19.

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Mark N. Katz, "The decline of Soviet power," <u>Survival</u> XXII (January/February 1990): 21.

peaceful means, some of the territorial disputes over the islands. This new direction is a result of beginning to 20 lose the only other common bond - Cambodia. An unchallenged domination over the direction of events in Southeast Asia may prove unfavorable for Vietnamese needs and desires.

D. VIETNAM AND THE PRC, PROSPECTS FOR THE FUTURE

Chinese foreign policy has been noted for its wild 21 swings within relatively short time periods. Even though it is not alone, its influence as a major player in the international community and especially in the Far East make it all that more significant. The relationship between the PRC and Vietnam is still very formal and not yet close to coming to terms with historical disagreements or pressing issues of the ruture.

According to some writers, the PRC has a long record of 222 "slapping others in the face and getting away with it."

The Soviet Union has stood by while the PRC 'punished' its ally. Southeast Asia, the United States and many others in the international community have virtually stood by as human rights were blatantly violated. For what ever individual political, economic or diplomatic reasons, it appears no one

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Nayan Chanda, "Reef Knots," <u>FEER</u> (30 August 1990): 11.

Donald W. Klein, "China And The Second World," in <u>China and the World</u>, ed. Samuel S. Kim (Boulder, CO: Westview Press, 1989): 144.

²² Jencks, "China's Punitive War," 814.

would rather say anything too critical against Chinese advances that possibly endanger relations or risk military confrontation.

1. Disputes in the South China Seas

The five countries which lay claim to some portion of the Spratly Islands are Taiwan, the PRC, Vietnam, Malaysia and the Philippines. Of the five, only the Philippines and Malaysia claim specific islands or groupings as opposed to the entire island complex in the South China Sea. Inconsistency in the claimants is due to "the legal doctrine of terra nullius - areas subject to occupation and claim of ownership by the occupant." The growing interest in the Spratly Islands can be attributed to three reasons: "firstly, it encompasses a vast, integrated geographical area located strategically in the South China Sea; secondly, it is rich in marine resources; and thirdly, it may contain huge under-sea deposits of oil and natural gas."

Beginning in late 1985, the PRC intensified its interest and presence in the area through naval deployments and scientific research projects. The result was reciprocal military responses by the other claimants increasing the

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Gordon Jacobs, "Islands in dispute," <u>Jane's Defence</u> <u>Weekly</u> 13, no. 23 (9 June 1990): 1156.

²⁴

Chang Pao-Min, "A New Scramble for the South China Sea Islands," <u>Contemporary Southeast Asia</u> 12, no. 1 (June 1990): 22.

level of cognizance, which before had been relatively quiet. On 14 March 1988, a small but significant naval and amphibious clash took place on one of the islands contested by Vietnam and the PRC. Who started it and how it started vary from report to report. However, it is clear the Chinese received a military victory as well as a psychological one-upmanship. The result of the March 1988 naval encounter was a stepped up effort to reinforce military construction, increased patrolling and presence, further island grabbing, and continued threats/counter-threats over claims and rightful possession.

Due to the difficult nature of retaining possession of the small islands remotely separated from any significant land, the area is burdened by instability, thus a concern for increased military encounters. Circumstances which will contribute to continued verbiage exchange vice military exchange include size of the islands area, the great distance from all claimants, the relative lack of effective naval abilities by any of the claimants, large number of forces required to take the whole archipelago, and the 25 positive international climate.

However, there are other factors which make the even tuality of future military encounters possible, especially between the PRC and Vietnam. Increased training in mission

²⁵ Ibid., 29-30.

areas specifically related to defense of the islands, continuing efforts to fortify and improve existing facilities, and modifications to procurement of military equipment designed to fight expressly in a Spratlys-type environment are seen in both Vietnamese and Chinese camps.

A significant proposal offered by Dr. Mark Valencia of the East-West Center in Honolulu is to create an internationalized regime "established to eliminate conflict, facilitate exploration and development of resources, the management of fisheries and the maintenance of environmental quality." The benefits of this would be the demilitarization of the area and the possible inclusion of the United States and Soviet Union in the peripheral border of this regime. The chances of this proposal meeting total agreement by all parties is slim. The circumstances warranting negotiations between the claimants are not there. up to the bargaining table is seen as disadvantageous, the claims are supported at different military levels and the disproportional positions of strength and weakness will draw some in and turn others off.

"At the moment, there is a military stalemate in the 27 area." This may continue for economic reasons. The countries involved may not be able to afford military

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Mark Valencia, "Solving The Spratlys," <u>Pacific Research</u> 3, no. 2 (May 1990): 10.

Ibid., 10.

engagement or be willing to jeopardize economic ties and programs by alienating themselves over territorial disputes. The stalemate may also continue for political reasons. The benefits of fighting for individual claims in the Spratlys may still be outweighed by the benefits of diplomatic relations. The future stability of Southeast Asia may rest in the Spratlys.

2. World Power Status of the PRC?

Since the Tiananmen massacre, Beijing has made great efforts both regionally and globally to improve its diplomatic status. High on the regional list have been Indonesia, Singapore and lately Vietnam. The key to this need for better diplomatic relations may be two-fold: for economic reasons, to continue economic reform, promote investment and trade within the PRC and foreign markets; for geopolitical reasons, the PRC may need an improved role and level of recognition as a great power.

The rearrangements which have occurred in the international community have diminished the influence of China's role as a major world power. China's role in the 'strategic triangle' has also weakened with the subsequent diminution of the triangle itself. These changes influence the Chinese communist party's "mission to restore China to its rightful

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place in the world." China's goal of placing national interests above all and Vietnam's highly independent nature place the future relationship on unpredictable and rather unstable ground. It is not the type of foundation on which to base a country's future bilateral relationship.

If normalization occurs between Vietnam and the PRC it will not be based on friendship or trust but on a mutual desire for a stable environment from which the communist parties of each country may continue their individual reform programs. Tran Quang Co, Vietnamese Deputy Foreign Minister, stated the government's basis for normalization rested in the "importance to the long-term and fundamental interests of the two countries. That policy is also in the interest of durable peace and stability in Southeast Asia 29 and the rest of Asia."

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Robert Delfs, "Exit (world stage left)," <u>FEER</u> (23 August 1990): 34.

²⁹

Trang Quang Co in an interview after recent Sino-Vietnamese talks on the issues of Cambodia. FBIS-FAS-90-121 (22 June 1990): 59.

IV. THE SOVIE ALLIANCE WITH VIETNAM

The formal alliance began when the Soviet Union and Vietnam signed the Soviet-Vietnamese Treaty of Friendship and Cooperation in November 1978. The informal relationship began much earlier. The Communist movement in Vietnam had been relatively ignored by the leadership in Moscow until the United States became involved in Indochina in the 1960s. By this time the United States and the Soviet Union were economically, militarily and politically involved in the Cold War. The United States took its stand in Southeast Asia to fight the spread of communism, the Soviet Union backed Vietnam through economic and military aid to show its support against imperialistic forces and Vietnam stood in the middle to be forever altered through the bilateral struggle for supremacy and its own nationalistic desires.

The late 1980s saw a radical change in the international environment. The traditional alliances and rivalries which had been comfortably ingrained for over forty years were shaken by the events which took place within the Soviet Union as a result of Cold War competition with the United States. The Soviet Union was neither economically nor diplomatically in control of itself or its empire. These situations which could have been easily turned in to world crises were instead the impetus which led to the end of the

Cold War. The Soviet Union, under Mikhail Gorbachev, now seeks a global environment in which it may put its economic and political house in order and in which stability, reduced tensions and security are the norm.

Gorbachev has been credited with bringing about much of the change in the Soviet Union and consequently the international community. As to avoid a debate as to who really ended the Cold War, it will be accepted that President Gorbachev's domestic initiatives, public relations campaigns and foreign relations have had a dramatic effect on the world. What has made these changes so important is that they began as speeches, interviews and treaties and have actually progressed into some verifiable actions. This brings us to the new Soviet posture in the Far East.

Current Soviet policy in Asia is in contrast to historical involvement. During the Brezhnev era, much attention was paid to cultivation of socialist-inclined third world countries and surrounding its rival socialist power, the Peoples' Republic of China (PRC); with little concern for any of the other regional states. But all the time, it was clear that Soviet involvement in Asia was secondary to concerns in Europe and was always to serve in the Soviet

Union's best interests, fluctuating to meet the changing l international atmosphere.

Historical alliances and enemies, conflicting goals for Soviet policy in the region and superpower relations have all begun to make a gradual shift so as to place the Soviet Union in a better light. Different countries are being courted and old friends are receiving new signals. Much the 'new' Soviet policy toward the Far East was revealed the Vladivostok and Krasnoyarsk speeches and Gorbachev's interview in the Indonesian paper, Merdeka. The Vladivostok speech given on July 28, 1986 was delivered to a Soviet audience but the intended recipients were a much larger group. He invited all countries of the Pacific Rim to join the Soviet Union in creating an area of peace and cooperation. Still, he did not hesitate to emphasize that if this fails, it will be in major part to an United States' reluctance to "give up its imperialistic goals."

The Vladivostok speech and subsequent speeches, visits and dignitarial changes all emphasize the capable diplomatic and public relations skills of Gorbachev. Some of the more

Leif Rosenberger, <u>Soviet Bloc Security Assistance To The Third World</u>, (Carlisle, PA: Strategic Studies Institute, U.S. Army War College, June 1989): 5.

Mikhail Gorbachev, "International Affairs Asia and the Pacific Region," <u>Vital Speeches of the Day</u>, LII, No. 23 (September 15, 1986): 706-711; and Mikhail Gorbachev, "Gorbachev Speech to Workers" Speech delivered at Krasnoyarsk on 16 September 1988, FBIS-SOV-88-181, 43-60.

effective measures taken in the Gorbachev' public relations campaign have been the changes in foreign service personnel, especially those of the Far East. These include Shevard-nadze as Foreign Minister, Vadim Medvedev as secretary of the Central Committee's Department for Liaison with Socialist Countries, Igor' Rogachev as a deputy foreign minister and Oleg Troyanovskiy as the ambassador to the PRC. These new appointments have been quite effective for they replaced an era of Brezhnevites and gave weight to Gorbachev's initiatives toward improved relations with the Asian neighbors. The effect on the countries directly involved has been positive.

The dialogue focused toward the Far East is in keeping with the basic premise supplied by Gorbachev at Vladivostok. The Soviet Union is an Asian nation and desires to be an integral part of Asia.

Hence, the situation in the Far East as a whole, in Asia and the ocean expanses washing it, where we have been permanent inhabitants and seafarers of long standing, is to us of national and state interest.

Gorbachev continues in this vein to emphasize that not only are they an Asian nation but are seriously interested

in being involved in all changes in the economic, political

and military arenas.

Rajan Menon, "New Thinking and Northeast Asian Security," Problems of Communism XXXVIII (March-June 1989): 7-8.

Gorbachev, "International Affairs," 707.

Our interest is in the pooling of efforts and in cooperation, with full respect for each people's right to live as they choose and resolve their problems on their own in conditions of peace.

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Thus the most significant events so far to support these claims have been the Soviet withdrawals from Afghanistan and the Vietnamese withdrawal from Cambodia which was encouraged and supported by the Soviet Union. The positive international environment, peace initiatives and promise of increased cooperation call for a more engaged Soviet Union. Soviet political efforts thus far have been directed at reducing the United States' influence in the region through appealing calls for naval arms control, calls for nuclear free zones, reduction in foreign military basing and economic cooperation. This has been welcomed as an alternative to the past but has yet to be judged for sincerity and motives.

A. HISTORICAL ALLIANCE AGAINST CHINESE

The Soviet and Vietnamese alliance has in the past been significant, but with world and domestic changes it is clearly under renovation. Vietnam is one of the poorest countries an the world. Unemployment, starvation, years of military conflict, economic and diplomatic isolation have

⁵ Ibid., 708.

P. Lewis Young, "Straws In The Wind; 1991 - Time For Gorbachev's Next Initiative In The Asia-Pacific Region?," Asian Defence Journal 1/90: 7.

left this socialist country in crisis. This situation might not be as bad if the superpower that sustains it was not also in a crisis situation itself.

The alliance has long been recognized as one based on 7 common goals. The Soviet Union sought to counter U.S. influence in the region and later PRC influence. For Vietnam, the United States and China were both adversaries. Early Soviet goals in Southeast Asia included power projection, promotion of its idea of socialism and at the forefront, to halt the spread of U.S. influence. It was an offensive strategy which sustained the Soviet Union through the Vietnam War. The Soviet-Vietnamese alliance evolved based on a mutual desire to extinguish the United States presence in Indochina. With this somewhat accomplished, the alliance was then based on the mistrust of and desire to contain the Chinese.

The estrangement between the Soviet Union and PRC only served to strengthen the Soviet-Vietnamese alliance. For the Soviets, the alliance was an essential element of their Pacific strategy of surrounding the PRC without provoking a Sino-Soviet military confrontation. For the Vietnamese, the alliance provided political, economic and military support in which they might feel safeguarded against perceived foreign aggression. But it was also recognized by the

[,] Rosenberger, <u>Soviet Bloc Security Assistance</u>, 4.

Vietnamese for what it really was, a Soviet platform from 8 which to counter the PRC. The offensive nature of Brezhnev's international strategy led the Soviet Union down a path of increased military presence and support for socialist countries in Asia. The political ill-effects of this policy were foreshadowed by the strategic changes in the region.

During North Vietnam's war with the United States Vietnam received military and economic assistance from the PRC and USSR. Even though the PRC provided more quantitative assistance, it was the USSR to which Vietnam would seek an alliance at the conclusion of the war. What is the most interesting aspect about the Soviet involvement in Vietnam was not so much the level of their involvement as much the fact they were involved. They provided enough assistance to be recognized as an adversary against the United States but not enough to elicit direct US-USSR military This "aversion to taking major confrontation. risks peripheral military conflicts" would continue to be characteristic of the Soviet-Vietnamese alliance against China and even continues to the present.

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Ibid.

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Muthiah Alagappa, "The major powers and Southeast Asia," International Journal XLIV (Summer 1989): 554.

Sally W. Stoecker, "Clients and Commitments: Soviet Vietnamese Relations, 1978-1988," (Santa Monica, CA: Rand Corporation, December 1989): v.

On November 3, 1978 in Moscow, the Soviet-Vietnamese Treaty of Friendship and Cooperation was signed for a 25 year period. The outward reasons were political, economic and military support, but a primary objective was to create an alliance against the PRC. The military aspect may be the most important component of the treaty. Still, the Soviet Union has shied away from becoming militarily involved its client states' affairs, as evidenced by the lack of Soviet action in the 1979 border conflict between the Chinese and Vietnamese and clashes in the South China Seas. The treaty also served as a warning to the Chinese to avoid getting involved in the developing conflict between Vietnam and Cambodia. Although the warning was acknowledged by the Chinese as a threat, it was ignored when Vietnam invaded Cambodia and the February 1979 invasion by the PRC in to Vietnam was the result.

Vietnam's economy was solely geared toward supporting military conflict, first with the United States and then into Cambodia, leaving little for the domestic needs. Soviet security assistance provided Vietnam with the military and economic strength to support its huge armed forces as well as sustain the economy. In addition to the economic assistance (estimated at US\$8 billion) the Vietnamese were

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[&]quot;Soviet Friendship Treaties With Third World Countries," Department of Defense Intelligence and Defense Intelligence Agency (April 1980): 24.

able to buy essential commodities at extremely good 'friend-12 ship' prices.

The military assistance to Vietnam has been quantitatively and qualitatively more significant. Soviet military support has consisted of military hardware, machines and materials, both new equipment and older surplus models. The Vietnamese would not have been able to engage any size force without this assistance. Through the critical years between 1979 and 1983, Vietnam was the fourth largest Soviet arms 13 recipient at US\$5.2 billion.

...Soviet security assistance is the glue which holds the Soviet-Vietnamese alliance together. It is what propels the Vietnamese domination of Kampuchea and helps to counter Chinese hostility to the north. Without it, Vietnam would be a threat to nobody...

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The factors making for change are the inabilities of either the Soviets or Vietnamese to afford these conflicts. Evidence is seen in Vietnam's withdrawal from Cambodia in September 1989 and the decrease in Soviet weapons delivered

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John W. Coffey, "New Thinking Or New Tactics In Soviet Foreign Policy?," <u>Global Affairs</u> IV, No. 1 (Winter 1989): 89; and Melvin A. Goodman, "Third World Clients and Third World Dilemmas for Soviet Foreign Policy," <u>Limits to Soviet Powereds</u>. Rajan Menon and Daniel N. Nelson, (Lexington, MA: Lexington Books, 1989): 200.

Rajan Menon, "Soviet Arms Transfers To The Third World: Characteristics and Consequences, " <u>Journal of Internation-al Affairs</u> 40, No. 1 (Summer 1986): 66.

Rosenberger, "Soviet Bloc Security Assistance," vii.

to Vietnam in comparison to those countries who are paying in hard currency and receiving the latest in Soviet The Soviet Union's primary benefit from the alliance with Vietnam, however, has been a military one. In late 1978, Soviets gained access to the old U.S. military ties at Cam Ranh Bay and Da Nang. This became the largest Soviet foreign base. The bases enabled the Soviets service and repair military aircraft; to have a basing area between the Soviet Union and the Indian Ocean; to have a tactical area for intelligence gathering; a warm water port in the Pacific and to have presence in a region of very strategic importance. The facilities make the transit along the Southern Sea Route in to the Indian Ocean easier, from an economic, security and logistical view 16 Cam Ranh Bay meant Soviet power projection in point. Southeast Asia and beyond, specifically the Indian Ocean.

With the changes brought about by Gorbachev, the strategic value of Cam Ranh Bay is being questioned. On September
16, 1988, during the Krasnoyarsk speech, Gorbachev offered
to pull out of Cam Ranh Bay in exchange for an United
States' withdrawal from the U.S. military bases in Subic Bay
and at Clark Air Base. Even though it was recognized that

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Menon, "Soviet Arms Transfers," 71.

James T. Westwood, "Soviet Maritime Strategy and Transportation," <u>Naval War College Review</u> (November-December 1985): 16.

the offer was inequitable, it spurred questions about the validity of continued United States' presence in the Philippines, especially if there were no longer a threat either directly from the Soviets or from a Soviet-backed Vietnam. The offer was justifiably ignored by the United States as negotiations for future use of the bases were soon to begin again.

The Soviets began to unilaterally withdraw major portions of military forces from Vietnam early in 1990. Thus the reduction in aircraft and naval craft in Vietnam is serving a larger global purpose for the Soviets. As part of their new 'defensive' posture and need for better relations in the region, the strategic importance of bases in Vietnam has been substantially reduced. The publicity of the withdrawal gives added proof to the Soviet public relations strategy of 'putting their money where their mouth is.' This withdrawal has been beneficial for the Soviet's position in Southeast Asia as well as for those advocating a United States reduction of military forces and use of foreign bases.

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Michael Richardson, "Major changes in power balance as Soviets withdraw from Cam Ranh," <u>Pacific Defence Reporter</u> XVI, No. 9 (March 1990): 13.

B. ESCALATION IN COSTS, REDUCTION IN BENEFITS (Post 1989 Period)

The military and strategic benefits for the Soviets have been undeniable but signs that costs are beginning to erode these benefits are becoming ever more apparent. The security assistance has not produced a more stable, self-sufficient country. Vietnam, shunned from the international environment as a result of its involvement in Cambodia, totally depended on the Soviet's aid. While Vietnam was engrossed in conflict and supported by a wartime economy and outside assistance, much of the world began a transition to an era where economic power is as important as military power. Vietnam has been left behind. A Vietnamese joke about the 1980's relationship between Vietnam and the Soviet Union is, "Moscow, rejecting a desperate cry for help, "Tighten your belts." To which Vietnam cables Vietnam: replies: "Send belts."

The economic crisis in the Soviet Union has necessitated a reevaluation of its involvement with desperately poor "allied" states. Savings have been sought by the Gorbachev administration through the reduction in military and economic assistance. The costs are even harder to justify when

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Stanley Karnow, <u>Vietnam A History</u> (New York: Viking Press, 1983): 33.

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Coit D. Blacker, "The USSR and Asia in 1989 Recasting Relationships," <u>Asian Survey XXX</u> (January 1990): 2.

the receiving country is in economic shambles, disregards advice from the lender and shows little sign of improving in the near future. However, it has not been the economic aid that has created the greatest expenditure. The greatest expenditure has been diplomatic. With Gorbachev's new overtures to the U.S., the PRC, and ASEAN, the costs of high military and economic assistance to Vietnam have diminished the benefits.

The primary benefit the Soviet Union derived was from the uncomfortable positions of the United States and the PRC brought on by the Soviet military basing in Vietnam. Gorbachev has acknowledged that "security must henceforth be pursued by political and economic means," thus reducing the security benefits derived from military presence. appears that new benefits will be afforded the Soviet Union through regional acknowledgement of peaceful Soviet initiatives and recognition of the positive influence made by the Soviets on a Cambodian settlement. Improved status in the region and allowance to maintain a significant alliance with Vietnam are the new benefits. It appears economics rather than ideology now rules the Soviet day, a fact the Vietnamese discount, but one their decrepit socialist economy must face.

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Menon, "New Thinking," 27.

²¹Stoecker, "Clients and Commitments," 1.

C. THE CHANGING EMPHASIS ON THE IMPORTANCE OF SOUTHEAST ASIA

The Soviet support of Vietnam's occupation of Cambodia has been the major stumbling block between the countries of ASEAN and the Soviet Union. A goal of the Soviet Union has been to establish ties with the pro-Western, economically successful countries in Southeast Asia. However, while the Soviets supported Vietnam, few cultural or economic exchanges were ever made. Where the Soviet Union may have been willing to risk ASEAN condemnation, the strategic value of the Vietnam alliance was worth it.

This case is no longer so apparent. At the same time the Soviets are attempting not to alienate Vietnam by their economic and military retreat and positive overtures to the PRC, they are actively pursuing improved relations with ASEAN. The perceived decline of United State's influence in the region and increased bilateral tensions over trade, military bases, and nuclear issues, have provided the Soviet Union with a unique opportunity to improve its position. These, in conjunction with Vietnam's withdrawal from Cambodia and published Soviet military reductions in Southeast Asia, have opened the door considerably for high level state visits.

President Gorbachev has stated he wishes to improve relations with the individual countries of ASEAN and ASEAN as a whole. Since 1987, Shevardnadze has visited Thailand,

Indonesia and the Philippines in his tours through Southeast Asia. Malaysia, Thailand, Indonesia and the Philippines have reciprocated by sending delegations, including several foreign ministers and prime ministers, to Moscow. ASEAN states have welcomed the Soviet peace initiatives but have 22 remain cautious.

The importance of Southeast Asia to the Soviet Union is two-fold. First, it is an economic success story and increased trade, technology transfer and investment can be very beneficial to Gorbachev's economic agenda. The Soviet Far East is expected to have great potential as a source for oil and other raw resources and joint ventures and investant from Southeast Asia would help considerably. The second reason is the United States' influence in the region. Closer economic and diplomatic ties may help loosen the ties ASEAN has created with the West.

The future for Soviet-ASEAN relations should be a gradual move toward better relations. Neither appear to be ready to totally abandon their old alliances. The Soviet Union and Vietnam are still allied. ASEAN is still very much pro-West, wary of communism, and is unsure of what the future holds for Gorbachev. It is not yet clear whether the small

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Victor Funnell, "New Perspectives in Southeast Asia," Asian Affairs XIX, Part II (June 1988): 136.

Kenneth G. Weiss, "Throwing Down the Gauntlet: The Soviet Challenge in the Pacific," <u>Comparative</u> <u>Strategy</u> 8, No. 2 (1989): 160.

potential offered by an opening Soviet economy will be enough to lure the countries of ASEAN into full economic and 24 diplomatic arrangements.

D. SINO-SOVIET DETENTE

The Soviet Union became very concerned about a two-front war when it broke relations with communist China in the The Soviet response to the crisis was a massive military buildup along the Sino-Soviet border. The responded both with its own military buildup and with public incrimination of the Soviet Union. Clashes along the border, the 1969 Ussuri River crisis being the prime example, drove the wedge between the two communist giants even further. The PRC alliance with the United States in the early 1970s and the peace treaty with Japan in 1978, gave strong signals that the Soviet military and political encirclement of China was being taken quite seriously. Thereupon, the alliances between the PRC and the West added fuel to Enviet initiatives to strengthen its military position in the Pacific, especially with its militarily strong and anti-Chinese ally -- Vietnam. Even into the late 1970s and early 1980s, large combined military exercises by the Soviet Union on the numerous land and sea borders of China were executed.

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Alagappa, "The major powers," 562.

²⁵Weiss, "Throwing Down the Gauntlet," 154.

The PRC proclaimed three obstacles lay between renewed, normalized relations between the Soviet Union and itself. The obstacles were the Soviet forces in Afghanistan, Soviet military forces along the Sino-Soviet border (including Mongolia), and the Soviet support to Vietnam's occupation of Cambodia. President Gorbachev has stressed that renewed relations with China are a priority and the actions taken to alleviate these obstacles are proof. The withdrawal of Soviet forces from Afghanistan was announced during the Vladivostok speech and officially signed into being with the Geneva Accords in April 1988. In early 1989, both Gorbachev and Shevardnadze announced troop reductions along the Sino-Soviet Border to the tune of over 250,000 troops. On the third obstacle, though it was not publicly apparent that the Soviets were the significant factor, the Vietnamese did announce and then remove all troops from Cambodia in September 1989.

The Soviet Union's efforts to improve its relationship with the PRC through reduction in border military strength, Afghanistan and in the Cambodian conflict have contributed to Sino-Soviet detente. Economic relations have gradually improved significantly through the eighties resulting in increases in trade, cooperative joint ventures and foreign

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Menon, "New Thinking," 15.

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Alagappa, "The major powers," 581; and Blacker, "The USSR and Asia," 5.

aid to the PRC. Arms trade negotiations and exchanges have even begun. The Soviet Union has remained relatively quiet and removed on China's security concerns over the Tianammen issue and over Sino-Vietnamese clashes in the South China Seas.

Factors which are contributing to improved Sino-Soviet relations are primarily derived from internal Soviet changes affecting their entire global initiatives. Both countries realize that decreased military tensions can result in reduced military budgets, thus providing alternative savings for social and economic programs. The troop reductions along their border will go a long way in saving funds much needed in their free market economies. Modernization programs will also benefit in this new political environment.

"Moscow's principal objective of normalizing relations (with China) was achieved, although at a cost no previous 28 Soviet leader had been willing to pay." Vietnam's concern was that Soviet detente with China had been achieved at the expense of Vietnam. Even though the relationship between the PRC and Soviet Union has taken years to warm up, there were still signs of differences of opinion brought on by 29 years of confrontation. The subsequent lack of Soviet responses to come to the Vietnamese aid was significantly

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Blacker, "The USSR and Asia," 6.

Weiss, "Throwing Down the Game tlet," 165.

important. The March 1988 Spratly Islands incident is a case in point.

The most important aspect of this emerging USSR-PRC detente for Vietnam may rest in the future aspirations of China. If these intentions are fueled by external security concerns and desire for domination of regional powers it may lead to a period of unrest and ultimately military confrontation. If neither the Soviet Union nor any other countries choose to challenge Chinese designs on the South China Seas or a rematch of the Sino-Vietnamese conflict in 1979, Vietname may find itself forced toward war as has been done so often in past when faced with a perceived Chinese threat.

E. ALLIANCE PROSPECTS -- SHAKY FUTURE

The Soviet-Vietnamese alliance is changing. What was once their strongest bonding factor, their distrust of China, is now eroding. Sino-Soviet relations are warming; it is Vietnam's nightmare that they may be betrayed to their greatest threat. The Soviets have increasingly encouraged the Vietnamese to talk with its neighbors in China and 30 Cambodia. The Soviet Union's economic hardships and new diplomatic posture are evidenced in the Soviet military scale down in Vietnam and Soviet political advances in Southeast Asia.

³⁰ Gorbachev, "International Affairs," 710.

The Soviet Union has been pursuing relationships which are contrary to Vietnamese national security interests. There is Soviet disappointment as a result of the failure to see positive results from the billions of dollars in economic aid. The relationship, which was never on the friendliest terms, has soured even more as economic and political pressures are placed on the alliance. The relationship which began on an ideological basis is now being overcome by economic realities.

The alliance was created to thwart efforts in Indochina first by the United States and then by the PRC. Vietnam found itself surrounded by unfriendly neighbors as a result of its invasion into Cambodia and cut off from all non-Soviet assistance to fund the military and the economy. The Soviet Union and other Eastern bloc countries provided these necessities. The shake up and failures in the socialist world have changed this. The Soviet Union is no longer receiving sufficient benefits to justify the military, political or diplomatic costs of supporting or aligning with Vietnam to the same degree it has in the past.

The alliance will be different. It is evolving into an alliance which is less threatening and less alienating to its neighbors. The era of substantial military and economic aid, subsidies and discount prices for commodities such as fertilizer and oil will come to an end by December 1990. Trade between the two countries will be based on

international pricing terms vice unilateral support by the 31 Soviet Union. Will this new alliance be threatening? Not if it allows each country to benefit from the economic and technological success stories in Southeast Asia and Asia as a whole. Not if a solution to the Cambodian conflict arises due to the decreased military assistance and improved political relations. It can go sour however if the leadership in Vietnam feels isolated, abandoned, and threatened from radical changes in the socialist world and from within its own society.

A major factor as to whether this new alliance will be a regional stabilizer or destabilizer is the true intentions of the Soviet Union. Gorbachev's references to "brutal and cynical counteraction" to socialism, Vietnam's "heroic experiences" and old friendships based on "equality" still being vital to security in Asia give evidence he may not yet be willing to give up his strategic place in Southeast Asia or his challenge to the United States' dominance in the 32 region. Military presence and continuing construction projects in Cam Ranh suggest there is still a strategic security aspect to the Soviet-Vietnamese alliance.

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[&]quot;Why Vietnam still feels lonely," The Economist 316, No. 7665 (July 28, 1990): 25.

Gorbachev, "International Affairs," 708-709.

Moreover, the "miniature" naval arms race in Southeast Asia is evidence that the ASEAN nations are not quite so sure 33 stability is right around the corner.

Those who predict that the weakening of Soviet power will lead to a benevolent international order have only paid attention to the benefits associated with the diminishing Soviet Threat, and not to the new problems emerging as a result of Soviet decline.

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Young Whan Kihl, "Intra-regional conflict and the ASEAN peace process," <u>International Journal XLIX</u>, No. 3 (Summer 1989): 601.

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Mark N. Katz, "The decline of Soviet power," <u>Survival</u> XXXII (January/February 1990): 26-27.

V. THE UNITED STATES' STRATEGIC INTERESTS IN SOUTHEAST ASIA

United States' interests in Southeast Asia are rooted in the past, have great importance in the present and will remain vital in the future. The twentieth century has seen the United States as a peripheral state, as a prominent state, a militarily and economically engaged state in Southeast Asia, but its presence is always effective to a certain degree. The interests have changed as a result of domestic changes and transformations in the region. Today, March 1991, the United States faces a Southeast Asia which too is feeling shock waves from the end of the Cold War, continued economic progress and potential for a reaceful settlement of a military conflict which has consumed the region for over ten years. Even with war in the Persian Gulf, the United States can neither push aside nor neglect its opportunities and obligations in every other area in the world.

The Southeast Asia region remains important to the United States because we have important allies in this unstable region and we are all of different minds about how to deal with Vietnam. The security umbrella that has been provided in the past to encourage economic progress, discourage hegemonic tendencies on the part of others and provide a balance of power is now looking more costly to the American people and is looked upon as less than necessary by some regional countries. Soviet military build-up, the

Philippine bases, diplomatic ties to Thailand, the Cambodian conflict, strategic sea lanes and allies in the region (specifically Australia) have all been major political concerns in Southeast Asia, but at present they must share the spotlight with our economic dilemmas.

With the emergence of the Newly Industrialized Countries (NICs) and Japan's preeminent role as investor, benefactor and business partner in Southeast Asia, the United States has found itself in the red with some and no longer the primary trade partner with all. Nevertheless, most countries still welcome U.S. trade and investment over other western and regional powers, especially Japan. This preeminence accounts for the fact that a substantial military presence is still advocated by the U.S. Department of Defense (DOD). At the same time, the DOD has recognized and respects the nationalistic changes in individual countries, the reduced Soviet threat and the United States' own domestic problems. Consequently, it has advocated a small and

Muthiah Alagappa, "The major powers and Southeast Asia,"

International Journal, XLIL (Summer 1989): 545-548; and

Justis M. van der Kroef, "The United States and Southeast

Asia: Some Future Strategic Realities," Pacific Focus IV,

No. 1 (Spring 1989): 44.

gradual reduction of forward deployed military forces.

Above all else, there is significant wealth in Southeast

Asia. While this wealth must be adequately exploited, we
cannot blind ourselves to the need for safeguarding civil

and human rights on the part of governments which are some
times inclined to be careless in these matters.

A. ALLIANCE WITH ASEAN

As a result of the Vietnam War, the Unites States' policy in Southeast Asia was altered. Since then it has been focused on a relationship with the ASEAN countries, with comparatively very little political involvement in the region as opposed to economic and security associations. The United States' position has in the past been centered around bilateral military and trade agreements, leaving it to ASEAN to take the lead in the most pressing problem of the region -- Cambodia. Military ties with ASEAN have included joint exercises, sales of high-tech military equipment, combined operations, and exchange of military education and training. The recent United States access to naval repair and storage facilities under the invitation of the Singaporean government emphasizes a continued mutual strategic interest to maintain some U.S. military presence in

Office of the Assistant Secretary of Defense, International Affairs (East Asia and Pacific Region), A Strategic Framework for the Asian Pacific Rim: Looking Toward The 21st Century, Report To Congress ([Washington, D.C.]: U.S. Department of Defense, April 1990), 1.

Southeast Asia in light of possible decreases in the Philippines.

The future of the U.S.-ASEAN alliance will be reflective of the changes within each entity in aspects of security, economics and politics. The anti-communist tie which once joined the United States and ASEAN together has been weakened by the Soviet Union's drastic changes. "The U.S. approach to security in the area must give new emphasis to mutual concerns and cooperation and to policies and actions on consensual diplomacy and consultation equals." The countries of ASEAN are in themselves searching for a more prominent place in the world community. As a result of a relatively stable environment, these countries have become the most economically successful grouping of developing countries. And now as the major connecting force, the Cambodian conflict, begins to diminish and superpower military reductions are foreseeable, ASEAN may tempted by a more non-aligned policy. There may well less need to depend on the United States. Southeast Asia will likely have less need of American presence as an alternative to Soviet or Chinese influence.

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David I. Hitchcock, Jr., "The United States In A Changing Pacific Rim: Asian Perceptions and the U.S. Response," The Washington Quarterly 12, No. 4 (Autumn 1989): 135.

David G. Bradford, "Asia-Pacific Policy: A Review of the Literature," The Washington Quarterly 13, No. 2 (Spring 1990): 197.

B. LEGACY OF THE VIETNAM WAR

January 27, 1973, an agreement between the United States and Vietnam was signed effectively ending the Second Indochina War. By March, all remaining U.S. combat units were proclaimed to be out of Vietnam. April 1975, less than two years after withdrawal, saw South Vietnam fall to the North and surrender. The Socialist Republic of Vietnam (SRV) was officially proclaimed on July 2, 1976. much of 1977, Vietnam and the United States were on opposite tracks. Demanding promised war reparation payments from the United States and virtually ignoring the residual MIA/POW questions, the Vietnamese sacrificed any chance of agreement with the approach of the Carter Administration in normalizing relations. Since then the major legacies of the Vietnam War: MIA/POWs, refugee problems and Amerasians have perpetuated the gap between the United States and Vietnam.

According to the National League of Families of American Prischers and Missing in Southeast Asia there are 2,393 Americans yet unaccounted for in Indochina. The Department of Defense estimates the number to be just higher at 2,398. Though endeavors by many official and unofficial sources have resulted in some increased cooperation with the

Justus M. van der Kroef, "The United States And Vietnam: The Imperations of Reconciliation," <u>Current Research on Peace and Violence X</u>, No. 1 (1989): 2.

Ibid., 11.

Vietnamese and the result has been the return of several remains, the U.S. interpretation of the negotiations on this subject still tends to put the Vietnamese in a negative light. Accusations and rumors that the Vietnamese have "warehouses full of American remains which they move to avoid detection", as well as "supposed sightings of Americans still held in Vietnam" do nothing to assuage American If it is in the national interest of Vietnam to achieve better relations with the United States, the POW/MIA issue will have to be dealt with in a manner more satisfactory to the United States. This may not come easily to the Vietnamese. The meetings in Washington in October 1990 between political appointee John Vessey, Jr. and Vietnam's Foreign Minister Nguyen Co Thach again highlighted the political and emotional problems surrounding the MIA/POW issues. Promises were renewed to give the utmost attention to overcoming this dilemma that continues to hinder better relations.

Even though the initial Vietnamese refugee problem was a result of the Vietnam War and South Vietnamese attempts to escape retribution for their part against the North, the intensity of the problem has steadily grown. A new batch of refugees was made up of Chinese formerly living in Vietnam who either sought political safety or escape from discriminatory economic practices and regulations. A significant number of Chinese either sought a better life, escaped from

reeducation camps or had just found a convenient means leave Vietnam. The latter groups could not be accepted refugees but were merely classed as economic escapees. such they could not be granted the status of "political asylum" in third countries. The refugee problem has tered to include not only Vietnam and the United States those countries which are considered 'first asylum' tries as well. Many of the ASEAN states are first asylum countries as well as Hong Kong and Taiwan. The surplus so called "refugees" awaiting scr ning and those who have already been screened have been congregated in large camps causing a financial burden and an explosive situation to the host countries. One of the most trying difficulties emerging out of the refugee problem is repatriation. first asylum country has screened a refugee and determined that the person is not an official refugee but an economic migrant, the process becomes more difficult for humanitarian and financial reasons. How can a person be sent back Vietnam to confront a cruel or uncertain fate?

Sympathetic concern for the welfare of the refugees is becoming less and less apparent in the first asylum countries. The uncontrollable growth of the refugee camps is seen to have been compounded by the United States' decision to open direct dialogue with Vietnam. This was once seen as leverage to guarantee Vietnamese cooperation on refugees and with this gone, the future may be even worse for Vietnamese

seeking a new life in other countries. Piracy, increased cases of push-offs and forced repatriation may be the eventual fate. A smooth reintegration of Vietnam in Southeast Asia may ultimately rest in the Vietnamese government's management of the problem which has regional as well as world wide repercussions. It is in the United States' interest to contribute more effectively to the solution of this troubling situation.

The Orderly Departure Program (ODP) initiated in 1980 by the United States, has been considered a major step in the right direction. It was expanded to include the Amerasians — the children of American servicemen and Vietnamese women. In 1987, the Amerasian Homecoming Act was passed to allow these people and their families unlimited entry into the United States. The Amerasians have endured hardships in Vietnam as a result of discrimination and problems inherent in the country itself. This act has assured first asylum countries and processing stations that this group of people should not burden their systems too long. The continued and expanded application of this act is clearly in the American national interest.

Jonathan Moore, "This way out," <u>FEER</u> (12 July 1990): 54-55.

C. SOLUTION TO THE CAMBODIAN PROBLEM

The Vietnamese invasion of Cambodia in 1978 brought Indochina back into the international spotlight after a small reprieve since the Vietnam War. The solution to the conflict was sought in the form of Vietnamese troop withdrawal. Diplomatic and economic sanctions were levied on Vietnam while China and the Soviet Union were encouraged to discontinue support of their respective clients in the Cambodian conflict. Vietnam, the Soviet Union, ASEAN, China and the United States all have histories of regional conflicting interests, changing alliances and unhealthy relationships primarily centering around Cambodia. By the date of writing this thesis (March 1991), the end of the Cambodian conflict is nowhere in sight.

Vietnam's fundamental position in Cambodia is that it must support a friendly government in Phome Penh (such as that of Hun Sen) in order to protect its own interest in Cambodia. China of course supports Pol Pot. The United States does not like either the position of Vietnam or China, but if it must choose, it prefers Vietnam to China. Under no circumstances does the United States want the return of Pol Pot.

Vietnam's involvement in its neighboring country has 8 resulted in their wearing of a "Cambodian albatross".

[;] Alagappa, "The major powers," 585.

It has been economically, militarily and diplomatically taxing both for itself and its sponsor state, the Soviet Union. On the surface it appears Vietnam has supported United Nations' efforts to arrive at a peaceful solution in Cambodia and the creation of the Supreme National Council (SNC). The interested nations in the UN still maintain that for a settlement to be lasting, worthwhile and effective it will have to be made from within the country, an argument which appears to stem from the United States' insistence that Vietnam play an integral part in the peaceful settlement.

The U.N. Security Council agreed in late August 1990 to the components of a settlement. These included "U.N. supervision of an interim government, military arrangements for the transitional period, free elections, human-rights protection, guarantees for the neutrality of a future 9 Cambodia" and the formation of the SNC. These terms appear to be in vain as long as the four factions within Cambodia cannot agree to the U.N. resolution or even make it past the battlefields to the negotiating tables. Evidence that this may be the case is increasingly surfacing and highlighting the historical internal and regional differences.

United States' involvement in the Cambodian conflict has consisted of peripheral support of the anti-communist

[&]quot;Security Council agrees on Cambodian compromise," <u>FEER</u> (6 September 1990): 14.

factions of Prince Sihanouk and Son Sann and leading an embargo against Vietnam. As part of the legacy of the war against North Vietnam, a U.S. embargo in place after 1964, was boosted after Vietnam invaded Cambodia in 1978. This embargo was for the most part fully supported by Western nations, Japan and ASEAN for over ten years. It was used as one of the major tools in the negotiating process with Vietnam when discussing their involvement in a peaceful Cambodian settlement.

Many U.S. oil and mining companies, banks, and others looking to invest, produce and take advantage of Vietnam's natural resources and abundant, cheap labor have begun to feel they were being hurt by the U.S.-led embargo. Many U.S. allies and ASEAN countries were already actively engaged in private and joint ventures within Vietnam, gaining a worrisome and insurmountable lead over the United States, should the United States conclude an agreement which would permit its reentry into the Vietnam market.

The efforts directed by U.S. companies and private persons have been more recently heightened by members of Congress. An increasing number of Congressman have supported a lifting of the embargo to help U.S. companies engage the growing phenomenon in Vietnam while at the same time 10 they were especially aware of the sensitive MIA/POW issue.

Lee Byrd, "Lifting of Vietnam trade embargo urged,"
Monterey Herald (November 4, 1990): 12A.

United States concern over Khmer Rouge advances on the battlefield and growing strength within the country has prompted a dramatic change in U.S. policy. In July 1990, the United States elected to begin talks directly with the Phnom Penh government headed by Hun Sen and with Vietnam. This action was met with disappointment by ASEAN for fear it might negate efforts already accomplished in multilateral talks. A U.S. bill was passed by Congress in October 1990, to now give \$25 million in aid to areas under Phnom Penh's 11 rule. The change in policy was partially a result of the Administration's deduction that talking directly with Vietnam and Phnom Penh was better than the possibility of seeing 12 the Khmer Rouge come back in power in Cambodia.

D. PRIMARY FORCE BEHIND EFFORTS TO REINTEGRATE VIETNAM INTO SOUTHEAST ASIA

There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things.

Machiavelli

There are some very important considerations that the United States must take into account when considering where

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Clifford Krauss, "With Gains by Khmer Rouge, Congress Looks to Hun Sen," New York Times (31 October 1990): A8.

[&]quot;Vietnam's turn," <u>The Economist</u> 316, No. 7667 (August 11, 1990): 38.

Paul H. Kreisburg, "Containment's Last Gasp," <u>Foreign</u>
Policy 75 (Summer 1989): 163.

to place Southeast Asia in its foreign policy planning. Even though it is infinitely weaker, the Soviet Union still has strategic interests in Southeast Asia. With a consequential amount of United States' economic and political interest in China, her role and interests in Southeast Asia must be reassessed. There is world-wide interest in the economic potential of Southeast Asia and in the strategic sea lanes of communication which are vital to several nations' livelihoods. There are states in and around Southeast Asia with ambitions for leadership. Finally, the United States history suggests that though we may not place a high priority on areas considered to be Third World, that is where we are most likely to get involved in a conflict. With all of these factors playing on the stability of the region, the United States needs to consider the role it should play in the entire ASEAN region. It must ask whether the Southeast Asia Collective Defence treaty meets the requirements of a post-Cold War world?

As in other areas all over the world, change is in motion. Change is occurring with less trauma in Southeast Asia than in some areas, the Middle East for example. What is key to the United States' role in Southeast Asia is our long established influence, respectability and "unique ability to interact effectively on essential issues with

David, "Third World Matters," 54.

7.5

more states than any other nation in the region." The future challenges the U.S. will face in Southeast Asia will not likely come from an accustomed direction -- military engagements, but from the strife caused by economic and political turbulence domestically and regionally within 16 Southeast Asia.

As of now the United States is linked by treaty to the Philippines and Thailand; and by extension to the interests of Pakistan, the United Kingdom, France, Australia and New Zealand in the area. This reflects the tilt to the anti-Communist combine. It completely overlooks the interests of the United States either in the non-aligned nations of Southeast Asia (Indonesia, Malaysia, Singapore, Brunei and Burma) and in a new relationship with Cambodia, Laos and its former enemy Vietnam. As the new status of all these nations develop, it is ever more clear that the United States must review the commitments that were made when the threat of China and the Soviet Union were perceived to be at their gravest.

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Report of the Atlantic Council's Pacific Policy Working Group - Strategic Stability, Economic Performance, and Political Leadership in the Pacific Basin: A Framework for U.S. Policy and Atlantic-Pacific Cooperation in the 1990s, by U. Alexis Johnson and Helmut Sonnenfeldt, Co-Chairmen (Washington, D.C.: The Atlantic Council of the United States, 1989), 35.

¹⁶

Ibid., 38.

VI. CONCLUSION

A. VIETNAM'S PRIORITIES SHOULD BE GIVEN DUE CONSIDERATION

More and more regional and global attention is being paid to Vietnam's efforts at economic renovation and diplomatic endeavors. The World Bank and IMF have lauded Vietnam's foreign investment laws. ASEAN, Japan, and several Western countries have diplomatically sidetracked the embargo on Vietnam to reap early economic benefits. Vietnam has withdrawn its troops from Cambodia and has cooperated moderately in efforts to bring the conflict to the negotiating table.

As far as the United States is officially concerned, a Cambodian settlement and the POW/MIA issue are most important to future bilateral connections. A detailed, accessible and energetic beginning of renewed efforts to find all the remaining and unaccounted for Americans would be a significant step in changing United States-Vietnamese relations. It is conceivable that the true motive or direction planned for Vietnam by its leaders is not completely known, but a diplomatic presence within the country could afford

Clyde H. Farnsworth, "U.S. Urged To End Hanoi Trade Curb," New York Times (October 9, 1990): Cl4.

the United States a better view from which to gauge further actions, and a new locus for conducting formal negotiations.

B. CHINA'S INFLUENCE ON VIETNAM'S FUTURE COURSE

Although China and Vietnam are historical foes and a future diplomatic relationship may be complicated because of domestic and regional differences, the China factor cannot be eliminated by the United States in setting a new course for US-SRV relations. Due to the size of China, its population, its military and potential power, it is not a country to be ignored. Most important though is the domestic policies and political instability and the economic morass within which the PRC is mired. For these reasons of instability and historical differences, Vietnam should not be driven into a situation where it is vulnerable to unsolicited interference without outside sources of assistance. Likewise, Vietnam should not be placed at the mercy of Chinese diplomatic. Vietnam has been known to prosper more when the Chinese threat is perceived to be lower.

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Roger W. Sullivan, "China and America in a Post-Cold War Environment," <u>The China Business Review</u> 17, No. 3 (May-June 1990): 20.

Ronald J. Cima, "Vietnam's Economic Reform," Asian Survey XXIX (August 1989): 795.

C. THE SOVIET UNION'S DEPENDABILITY IN VIETNAM'S FUTURE

Whether it is a "tactic of seduction" or new diplomacy, Gorbachev's agenda for the Soviet Union in Southeast Asia appears to have decreasing room for Vietnam. According to John W. Coffey, who served in the Office of the Secretary of Defense during the late Reagan years, there are several hidden "objectives" in Gorbachev's strategy which primarily focus on drawing the United States into situations which are nonbeneficial. The Soviet stance in Southeast Asia may be seductive as this analysis suggests.

On the other hand, there appears to be more important Soviet concerns in Southeast Asia than continued support for its client, Vietnam. Vietnam has proven to be unprofitable economically and diplomatically. A Soviet abandonment of Vietnam in order to recover domestically and to advance USSR/PRC and USSR/ASEAN relations opens a new vista for American policy. It is not to America's advantage to have Vietnam driven into a corner which would make it more ag-The Soviet Union can not play the significant gressive. role in Vie'nam's reintegration for reasons of domestic economic problems, its diplomatic embarrassments ideological bankruptcy. This leaves the door wide open to step gingerly into the breach. By extending a helping hand to Vietnam, it can gain good will from Vietnam and reduce

John W. Coffey, "New Thinking Or New Tactics In Soviet Foreign Policy?" Global Affairs IV (Winter 1989): 96.

the cogency of the Soviet threat which has centered in the Soviet-Vietnam alliance and particularly in the existence of the Soviet use of Cam Ranh Bay.

D. THE UNITED STATES -- PRIMARY FORCE BEHIND A POSITIVE PLACE IN SOUTHEAST ASIA FOR VIETNAM

A major point forwarded by David Hitchcock when discussing the future role of the United States in the Pacific Rim was the United States' presence enhances regional cooperation. This position is most reasonable. The U.S. does not have to be the initiator or driving force, just the presence enough to provide stability for beneficial, collective "Essentially, the role of the United States development. must be to help Asian problem solvers rather than to solve Asian problems." Once before the United States risked losing its influence in Southeast Asia. Alliances with the United States had been threatened by our performance Today, failure to recognize the changes or to Vietnam. with the flow of change, if not lead it, may result in our loss of influence in this entire region. The United States' interests in Southeast Asia must be safeguarded. "This not a formula for a "resurgent" America but for an engaged one."

Hitchcock, "United States in Changing Pacific Rim," 132-133.

Atlantic Council, "Strategic Stability," 38.

David, "Third World Matters," 84.

In determining the exact role the United States should play with regards to Vietnam, two very important facts should be considered. The first fact is that the subject of direct relations with Vietnam is a very emotional one. This is one issue which cannot be solely couched in diplomatic, economic or political terms. What may be a sound, wellresearched policy, one clearly in the long run interests of the United States, will confront resistance if the emotional side is not taken into consideration. The second fact that on a scale of importance of the United States' national interests, normalization with Vietnam is not very high. This may just be a direct result of the first fact or that we do not see Vietnam as threatening or threatened in her present situation. Based on these facts though, the problems between the two countries will have to be acknowledged and addressed to the mutual satisfaction of both.

The key phrase in viewing the evolving United States8
Vietnam relationship may be "steady progress". Even though
the decisions made in July 1990 regarding changed U.S.
posture toward the Cambodian leadership issues and contact
with Vietnam may have resulted in regional and global jolts,
they were diplomatically well designed, executed and positive. With appearances of having equivocated in the past,
current U.S. policy on future relations with Vietnam still

Susuma Awanohara, "Progress in action," Feer (11 October 1990): 24.

require significant Vietnamese cooperation in a peaceful Cambodian settlement. In turn, visible efforts by Vietnam are required to account for POW/MIAs. The ends of American policy are clear, the sensible formula is to take it slow and easy.

It is in the United States' national interest to see Vietnam not solely dependent upon one country but have a varied number of eastern and western partners. Likewise, it is in the national interest to see Vietnam as a stable, contributing, progressing country eager to talk with the U.S. over historical and future bilateral issues. A Vietnam in which the United States has a significant level of involvement and influence as a result of direct relations will help ensure that the Southeast Asian region, with all of its strategic importance, will be more favorably balanced toward U.S. interests. Several barriers still exist. These are domestic, bilateral and multilateral dilemmas which may take years to overcome. By the United States opening direct dialogue with Vietnam and supporting an embargo lift, a positive relationship may contribute to removing some of these barriers.

Clifford Krauss, "Vietnam To Renew Effort On Missing,"
New York Times (October 18, 1990): A4.

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